



January 20, 2006

SENATE BILL No. 346

DIGEST OF SB 346 (Updated January 19, 2006 10:59 am - DI 44)

Citations Affected: IC 5-10.2; noncode.

Synopsis: PERF COLA and 13th check. Provides for a 2% cost of living adjustment for a retired member of the public employees' retirement fund (PERF) (or a survivor or beneficiary of a member). Provides for a thirteenth check based on the complete years of service credited to a member at retirement.

Effective: July 1, 2006.

Meeks

January 10, 2006, read first time and referred to Committee on Appropriations.
January 19, 2006, reported — Do Pass.

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SB 346—LS 6862/DI 102+



January 20, 2006

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

SENATE BILL No. 346

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-10.2-5-40 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2006]: **Sec. 40. (a) The pension portion (plus postretirement**
4 **increases to the pension portion) provided by employer**
5 **contributions of the monthly benefit payable after December 31,**
6 **2006, to a member of the public employees' retirement fund (or to**
7 **a survivor or beneficiary of a member) who retired or was disabled**
8 **before January 1, 2006, shall be increased by two percent (2%).**

9 **(b) The monthly amount of the increase described in subsection**
10 **(a) payable to a member of the public employees' retirement fund**
11 **(or to a survivor or beneficiary of a member) may not be less than**
12 **five dollars (\$5).**

13 **(c) The increases specified in this section:**

- 14 **(1) are based on the date of the member's latest retirement or**
15 **disability;**
16 **(2) do not apply to benefits payable in a lump sum; and**
17 **(3) are in addition to any other increase provided by law.**

SB 346—LS 6862/DI 102+



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1 SECTION 2. [EFFECTIVE JULY 1, 2006] (a) As used in this
 2 SECTION, "fund" refers to the public employees' retirement fund
 3 established by IC 5-10.3-2-1.

4 (b) Not later than December 1, 2006, the fund shall pay the
 5 amount determined under subsection (c) to a member of the fund
 6 (or to a survivor or beneficiary of a member) who retired or was
 7 disabled before January 1, 2006, and who is entitled to receive a
 8 monthly benefit on November 1, 2006. The amount shall be paid as
 9 a single check and is not an increase in the pension portion of the
 10 monthly benefit.

11 (c) The amount paid under this SECTION to a member of the
 12 fund (or to a survivor or beneficiary of a member) who meets the
 13 requirements of subsection (b) is determined as follows:

<u>If a Member's</u>	<u>The Amount of the</u>
<u>Creditable Service Is:</u>	<u>Check Is:</u>
At least 10 years, but less than 15 years	\$50
At least 15 years, but less than 20 years	\$100
At least 20 years, but less than 25 years	\$150
At least 25 years, but less than 30 years	\$200
At least 30 years	\$250

21 (d) The creditable service used to determine the amount paid to
 22 a member (or to a survivor or beneficiary of a member) under this
 23 SECTION is the creditable service that was used to compute the
 24 member's retirement benefit under IC 5-10.2-4-4, except that
 25 partial years of creditable service may not be used to determine the
 26 amount paid under this SECTION.

27 (e) This SECTION expires December 1, 2006.

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 346, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 346 as introduced.)

MEEKS, Chairperson

Committee Vote: Yeas 10, Nays 0.

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